

EVIDENTIARY HEARING  
BEFORE THE  
CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

In the Matter of:	)	
	)	
Application for Certification	)	Docket No.
Colusa Generating Station	)	06-AFC-9
	)	
_____	)	

CALIFORNIA ENERGY COMMISSION  
HEARING ROOM A  
1516 NINTH STREET  
SACRAMENTO, CALIFORNIA

WEDNESDAY, JANUARY 23, 2008

10:06 A.M.

Reported by:  
Peter Petty  
Contract No. 170-07-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

James D. Boyd, Associate Member

HEARING OFFICER AND ADVISORS

Raoul Renaud, Hearing Officer

Susan J. Brown, Advisor

Suzanne Korosec, Advisor

STAFF AND CONSULTANTS PRESENT

Jack W. Caswell, Project Manager

Dick Ratliff, Senior Staff Counsel

Kenneth Celli

David Flores

Rick Tyler

Brian Payne (via teleconference)

PUBLIC ADVISER

Nick Bartsch

APPLICANT

Scott Galati, Attorney  
Galati and Blek, LLP  
on behalf of Pacific Gas and Electric Company

Jon Maring  
Pacific Gas and Electric Company

Andrea Grenier, Consultant  
Grenier and Associates, Inc.

Michael J. Carroll, Attorney  
Latham and Watkins  
on behalf of CPV, Inc.

APPLICANT

Andrew Welch, Project Manager  
Competitive Power Ventures, Inc.

ALSO PRESENT

Gary J. Evans, Supervisor  
Board of Supervisors  
County of Colusa

Ronda Azevedo Lucas, Attorney  
Central Valley Law Group, LLP  
on behalf of Maxwell Fire Protection District

Dave Wells, Chief  
Maxwell Fire Protection District

Mike Riordan  
Maxwell Fire Commission Board

Ron Lee  
Lee Design and Consulting  
Oldhouse Water District

Henry Rodegerdts, County Counsel  
County of Colusa

Les D. Fife, Consultant  
Colusa County Air Pollution Control District

Dora Dirks

Mary Anne Azevedo

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

## P R O C E E D I N G S

10:06 a.m.

ASSOCIATE MEMBER BOYD: Welcome to the Colusa Generating Station evidentiary hearing. I don't have any additional opening comments to make. The soon to be, I think, Presiding Commissioner on this case, that's Commissioner Geesman, has got one foot out the door; his term of office comes to a definite end on the 5th of February at midnight, so his Advisor, Suzanne Korosec, is here to carry on the work there. And I look forward to her contributions when we get around to finalizing this issue.

But I'm going to turn the hearing over to the Hearing Officer now and let him get us under way. So, good morning, thank you.

HEARING OFFICER RENAUD: Thank you, Commissioner. Let's introduce the people up here first. I'm Raoul Renaud; I'm the Hearing Officer assigned to this case. To my left is Suzanne Korosec, who's Advisor to Commissioner Geesman. To my right, as you know, is Commissioner Boyd. And to his right is his Advisor, Susan Brown.

If I could have the representatives of the applicant please introduce themselves.

1 MR. GALATI: Scott Galati representing  
2 PG&E, who is now the owner of the project. And  
3 behind me supporting PG&E is Jon Maring with PG&E,  
4 and Andrea Grenier, a consultant to PG&E.

5 HEARING OFFICER RENAUD: Okay, thank  
6 you.

7 MR. CARROLL: And Mike Carroll with  
8 Latham and Watkins representing West Coast and  
9 Competitive Power Ventures, the previous owner of  
10 the project. And with me is Andy Welch with  
11 Competitive Power Ventures. Good morning.

12 HEARING OFFICER RENAUD: Thank you. And  
13 on behalf of staff, please.

14 MR. RATLIFF: Dick Ratliff, Staff  
15 Counsel; and with me is Jack Caswell, the Project  
16 Manager.

17 HEARING OFFICER RENAUD: Thank you. And  
18 are there any elected officials today who would  
19 like to introduce themselves? All right.

20 Intervenors? Oh, did we have an elected  
21 official? Gary Evans?

22 MR. EVANS: Colusa County Supervisor.

23 HEARING OFFICER RENAUD: County  
24 Supervisor, thank you. And yes?

25 MS. LUCAS: Good morning. I'm here,

1 Ronda Azevedo Lucas; I've been retained to  
2 represent the Maxwell Fire Protection District, a  
3 local agency. They've stepped right outside, but  
4 Mr. Dave Wells is in attendance. He's the Fire  
5 Chief whom you've all spoken with before. As well  
6 as Mr. Mike Riordan is here representing the Fire  
7 Commission Board. So those are two other local  
8 agencies in attendance. Thank you.

9 HEARING OFFICER RENAUD: Very good,  
10 thank you. Thank you very much. And we have a  
11 representative of the Public Adviser's Office in  
12 back, Nick Bartsch. Anybody who wishes to provide  
13 public comment during the proceedings should fill  
14 out one of these blue cards and give it to Nick,  
15 who will give it to me.

16 We have, I believe, open telephone lines  
17 this morning. Let me make sure that that is  
18 working and if anybody is on the line. Is there  
19 anybody on the phone line at this point? Just  
20 say, "yes, here" or something like that. Anybody?

21 MR. PAYNE: Yes, this is Brian Payne  
22 (inaudible) Services.

23 HEARING OFFICER RENAUD: All right,  
24 thank you. Anyone else? All right, thank you.

25 This evidentiary hearing is the formal

1 adjudicatory hearing at the end of what's been a  
2 roughly, what, 16-month process involving the  
3 application for certification of the Colusa  
4 Generating Station, a power plant to be sited in  
5 Colusa County.

6 We will today be receiving evidence from  
7 the parties in order to create the formal  
8 evidentiary record upon which the Committee will  
9 base its decision as to whether or not to certify  
10 the project.

11 Generally we will follow the technical  
12 rules of evidence, but we can also consider any  
13 relevant, noncumulative evidence if it is the sort  
14 of evidence upon which responsible persons are  
15 accustomed to rely in the conduct of serious  
16 affairs.

17 The testimony offered by parties today  
18 will be under oath. The oath will be administered  
19 by the reporter.

20 Each party has the right to present and  
21 cross-examine witnesses, introduce exhibits and  
22 rebut evidence of another party. And as I  
23 indicated, we will also provide opportunities for  
24 public comment at appropriate points during the  
25 proceedings, both during the presentations of

1 evidence and at the end.

2 Questions of relevance of the evidence  
3 will be decided by the Committee. Hearsay  
4 evidence may be used to supplement or explain  
5 other evidence, but shall not be sufficient in  
6 itself to support a finding.

7 The Committee will rule on motions and  
8 objections. And once a ruling has been made there  
9 will be no further time allowed for argument with  
10 respect to that. A party may assert a continuing  
11 objection; that will be addressed in the  
12 Committee's written decision.

13 The Committee may take administrative  
14 notice of matters within the Energy Commission's  
15 field of competence and of any fact that may be  
16 judicially noticed by California Courts.

17 The official record of this proceeding  
18 will include the sworn testimony of the parties'  
19 witnesses, the reporter's transcript of the  
20 evidentiary hearing, the exhibits received into  
21 evidence, the briefs, pleadings, orders, notices  
22 and oral and written comments submitted by members  
23 of the public.

24 The Committee's decision will be based  
25 solely on the record of competent evidence in

1 order to determine whether or not the project  
2 complies with applicable law.

3 The exhibit list has been distributed to  
4 the parties. It was out on the table there, and  
5 some others might have copies, as well. And we  
6 will use this list to organize the receipt of  
7 evidence into the record. And we'll also use the  
8 agenda and instructions, which was also  
9 distributed to the parties and the public, to keep  
10 track of the topics.

11 There are a number of uncontested topics  
12 identified; and we have no objections filed to  
13 submittal of these topics by declaration.

14 What I'd like to do is proceed through  
15 the uncontested topics, and these are the topics  
16 which, at the prehearing conference, we called the  
17 uncontested or no-contest topics.

18 The first one that we'll go to today  
19 is -- well, before I do that, let me go to the  
20 tentative exhibit list and take care of a couple  
21 of housekeeping matters.

22 We have added to the applicant's  
23 exhibits exhibit 109, temporary Jumper Bridge  
24 project description dated January 18, 2008. This  
25 is a document which I think came in yesterday.

1 And, Mr. Carroll, did you wish to add the  
2 declaration of Dale Shileikis of URS regarding  
3 alternatives as exhibit 110?

4 MR. CARROLL: Yes, we did.

5 HEARING OFFICER RENAUD: All right. And  
6 then on the staff exhibit list we have as exhibit  
7 200, the final staff assessment; as exhibit 201  
8 the FDOC; 202 -- and from here on out these are  
9 new ones -- supplementary testimony of Bryan Payne  
10 regarding the temporary bridge alternative; 203 is  
11 the declaration of Alvin Greenberg; and 204 is  
12 declaration of Rick Tyler concerning the revised  
13 conditions, worker safety-6 and haz-7.

14 Does that sound acceptable, Mr. Ratliff?

15 MR. RATLIFF: Yes.

16 HEARING OFFICER RENAUD: All right,  
17 good.

18 Okay, let's move first to the  
19 uncontested topics. And the first one will be  
20 project ownership. Let's start with the  
21 applicant.

22 The exhibits for project description, as  
23 I understand it, are exhibits 1 -- applicant's  
24 exhibits 1, 2, 3, 4, 5, 6 and 7. Does the  
25 applicant wish to move those into evidence at this

1 time?

2 MR. CARROLL: Yes, we do.

3 HEARING OFFICER RENAUD: All right. And  
4 do you have any additional evidence or testimony  
5 you wish to add?

6 MR. GALATI: Yes, we do. We'd like to  
7 call Jon Maring from PG&E to provide a little bit  
8 of testimony on ownership and we'll be asking to  
9 be marked as applicant's exhibit 110, a letter  
10 from E&L West Coast to the Commission noticing the  
11 change of applicant and the ownership date.

12 HEARING OFFICER RENAUD: And do we have  
13 that document yet, Mr. Galati -- or will you --

14 MR. GALATI: We do not. I have copies  
15 of it here and will docket it directly after the  
16 hearing, but I'll go ahead and distribute it to  
17 the parties now.

18 HEARING OFFICER RENAUD: All right.  
19 Now, I believe that should be 111. 110 is the  
20 declaration of Dale Shileikis.

21 MR. GALATI: I apologize, yeah, 111.

22 HEARING OFFICER RENAUD: Okay, and would  
23 you just briefly describe that document again for  
24 me?

25 MR. GALATI: This is a letter from E&L

1 West Coast to Commissioner Geesman regarding  
2 notice of change of applicant.

3 HEARING OFFICER RENAUD: All right, and  
4 what is the --

5 MR. RATLIFF: Mr. Renaud, could I ask  
6 you --

7 HEARING OFFICER RENAUD: -- what is the  
8 date of it, please?

9 MR. GALATI: I actually don't see a date  
10 on -- oh, January 11th.

11 HEARING OFFICER RENAUD: All right. Mr.  
12 Ratliff, yes.

13 MR. RATLIFF: For whatever reason we  
14 don't have any -- we're trying to get a copy of  
15 the exhibit list. We don't have one. If there  
16 are additional copies we wonder if we can get one  
17 from you.

18 MR. CARROLL: I have extra copies.

19 MR. RATLIFF: Thank you.

20 HEARING OFFICER RENAUD: Okay, have we  
21 taken care of that problem? Thank you, Mr.  
22 Carroll.

23 MR. CARROLL: Just so that we're clear,  
24 what I just distributed is actually a revised  
25 exhibit list that includes exhibits 110 and 111 --

1 I'm sorry, 109 and 110.

2 HEARING OFFICER RENAUD: And is this the  
3 applicant's exhibit list, or is this the master  
4 exhibit list that was distributed yesterday?

5 MR. CARROLL: This is the applicant's  
6 exhibit list.

7 HEARING OFFICER RENAUD: I see, okay.  
8 We need to get you a copy of that exhibit list,  
9 Mr. Ratliff.

10 Can we proceed for a few minutes and  
11 then we'll take a quick break and get you one?

12 MR. RATLIFF: That's fine.

13 HEARING OFFICER RENAUD: All right,  
14 thank you.

15 Okay, we have a witness. May the  
16 witness be sworn, please.

17 Whereupon,

18 JON MARING

19 was called as a witness herein, and after first  
20 having been duly sworn, was examined and testified  
21 as follows:

22 MR. MARING: My name is Jon L. Maring;  
23 and my title is Director of Fossil Plant  
24 Construction, Pacific Gas and Electric Company.  
25 //

## 1 DIRECT EXAMINATION

2 BY MR. GALATI:

3 Q Good morning, Mr. Maring. I'm just  
4 going to ask the question. Is PG&E now the owner  
5 of the Colusa assets, including this AFC  
6 proceeding?

7 A Yes, they are.

8 MR. GALATI: No further questions.

9 HEARING OFFICER RENAUD: Questions on  
10 behalf of the staff? Mr. Ratliff, no questions?

11 MR. RATLIFF: No.

12 HEARING OFFICER RENAUD: Okay, thank  
13 you, Mr. Maring.

14 Is there any further evidence on behalf  
15 of the applicant with respect to project  
16 description?

17 MR. CARROLL: No.

18 HEARING OFFICER RENAUD: All right. And  
19 on behalf of the staff, let's see -- the extent of  
20 the evidence with respect to that is in the FSA,  
21 am I correct?

22 MR. RATLIFF: That's correct.

23 HEARING OFFICER RENAUD: All right,  
24 thank you. And you wish to offer that into  
25 evidence at this time, I take it?

1 MR. RATLIFF: Yes.

2 HEARING OFFICER RENAUD: All right,  
3 thank you.

4 All right, let's move on to project  
5 description. I'm sorry, that was project  
6 description. I think project ownership and  
7 project description really fall within the same  
8 area. Okay.

9 Let's move on then to cultural  
10 resources. First, on behalf of the applicant, you  
11 have exhibits 10, 34, 35, 84 and 92. Do you wish  
12 to move those into evidence at this time?

13 MR. CARROLL: Yes.

14 HEARING OFFICER RENAUD: All right. And  
15 do you have any further evidence or testimony?

16 MR. CARROLL: No, we do not.

17 HEARING OFFICER RENAUD: All right. On  
18 behalf of the applicant -- I'm sorry, the staff,  
19 I'll get that straight today, on behalf of the  
20 staff, Mr. Ratliff, any further evidence beyond  
21 the FSA?

22 MR. RATLIFF: No.

23 HEARING OFFICER RENAUD: All right,  
24 thank you.

25 Let's move on then to land use. On

1       behalf of the applicant we have exhibits 11, 36,  
2       85, 105 and 107. Any further exhibits or  
3       testimony on behalf of the applicant?

4               MR. CARROLL: No.

5               HEARING OFFICER RENAUD: All right. Do  
6       you wish to move those into evidence at this time?

7               MR. CARROLL: Yes, we do.

8               HEARING OFFICER RENAUD: Thank you. On  
9       behalf of staff, Mr. Ratliff, anything to add?

10              MR. RATLIFF: No.

11              HEARING OFFICER RENAUD: Okay. Noise  
12       and vibration. Appears that the applicant's  
13       exhibits are numbers 12 and 86. Do you have  
14       anything to add to those, Mr. Carroll?

15              MR. CARROLL: No, we don't.

16              HEARING OFFICER RENAUD: All right. Do  
17       you wish to move those into evidence at this time?

18              MR. CARROLL: Yes.

19              HEARING OFFICER RENAUD: All right. And  
20       on behalf of the staff, anything to add?

21              MR. RATLIFF: No.

22              HEARING OFFICER RENAUD: Public health.  
23       Applicant's exhibits would be 13 and 37. Do you  
24       have anything you wish to add to that on behalf of  
25       the applicant?

1           MR. CARROLL: No, we don't, and we would  
2 move those two into evidence.

3           HEARING OFFICER RENAUD: Thank you. On  
4 behalf of staff, anything further?

5           MR. RATLIFF: No.

6           HEARING OFFICER RENAUD: Transmission  
7 line safety and nuisance. Appears that the  
8 applicant's exhibit is number 87. Do you have  
9 anything you wish to add to that, Mr. Carroll?

10          MR. CARROLL: No, we don't.

11          HEARING OFFICER RENAUD: All right.

12          MR. CARROLL: And we would move 87.

13          HEARING OFFICER RENAUD: Okay. And on  
14 behalf of the staff?

15          MR. RATLIFF: No.

16          HEARING OFFICER RENAUD: Transmission  
17 system engineering. The applicant's exhibit is  
18 number 64. Anything to add to that on behalf of  
19 the applicant?

20          MR. CARROLL: No. We would move 64.

21          HEARING OFFICER RENAUD: All right.

22 Staff?

23          MR. RATLIFF: No.

24          HEARING OFFICER RENAUD: Okay, waste.

25 The applicant's exhibits are 20 and 88. Anything

1 to add to those?

2 MR. CARROLL: Nothing to add and we  
3 would move those exhibits.

4 HEARING OFFICER RENAUD: Thank you. On  
5 behalf of staff, anything?

6 MR. RATLIFF: No.

7 HEARING OFFICER RENAUD: Geology and  
8 Paleontology; it appears that the applicant's  
9 exhibits are 22, 23, 42, 43, 45, 89 and 101.  
10 Anything to add to those on behalf of the  
11 applicant?

12 MR. CARROLL: No, and we would move  
13 those exhibits.

14 HEARING OFFICER RENAUD: All right,  
15 thank you. And staff?

16 MR. RATLIFF: No.

17 HEARING OFFICER RENAUD: All right.  
18 Efficiency, and I think we'll include with that  
19 reliability. Applicant's exhibit would be number  
20 90. Anything to add to that?

21 MR. CARROLL: Nothing to add, and we  
22 move 90.

23 HEARING OFFICER RENAUD: All right.  
24 Staff?

25 MR. RATLIFF: No.

1 HEARING OFFICER RENAUD: And  
2 alternatives. Applicant -- oh, yes, applicant's  
3 exhibits would be 24 and 91. Anything to add to  
4 those?

5 MR. CARROLL: Are we going to include  
6 109 and 110, the jumper bridge exhibits under the  
7 alternatives section?

8 HEARING OFFICER RENAUD: Okay, let's add  
9 those in under that section.

10 MR. CARROLL: Yes.

11 HEARING OFFICER RENAUD: Do you want to  
12 add those to traffic, also, when we get to it?

13 MR. CARROLL: Yes.

14 HEARING OFFICER RENAUD: All right. I  
15 guess they can be in both areas. So let's add  
16 them to alternatives, exhibit 109, which is the  
17 temporary jumper bridge document; and 110, and  
18 that's the declaration of Dale Shileikis, is that  
19 correct?

20 MR. CARROLL: That's correct.

21 HEARING OFFICER RENAUD: All right.  
22 Anything further?

23 MR. CARROLL: Nothing further.

24 HEARING OFFICER RENAUD: You move those?

25 MR. CARROLL: Yes, we do.

1                   HEARING OFFICER RENAUD: And, staff,  
2                   anything to add on alternatives? Mr. Ratliff,  
3                   anything?

4                   MR. RATLIFF: No.

5                   HEARING OFFICER RENAUD: All right,  
6                   thank you.

7                   All right, we've got next the topics  
8                   which, at the prehearing conference we called the  
9                   no-but topics. And for the most part, the  
10                  concerns that were raised at the prehearing  
11                  conference have been resolved. But we'll go  
12                  through these to get the evidence into the record.

13                 On air quality, we had a minor  
14                 correction to change references from AQ-24 to AQ-  
15                 27 in condition AQ-SC-7. And to add the word  
16                 "days" in AQ-27. There's no issue with respect to  
17                 those.

18                 With respect to table AQ-27 we left it  
19                 open regarding the addition of a footnote to that  
20                 table. First, on behalf of applicant, have you  
21                 reached an agreement about that?

22                 MR. GALATI: Yes, we have. We no longer  
23                 believe we need the footnote. After communicating  
24                 with staff I think we're all on the same page that  
25                 the applicant, once surrendering ERCs if there are

1 any remaining ERCs that are part of those  
2 certificates that are not required to be  
3 surrendered, they continue to be retained by the  
4 applicant. And I think we have an agreement on  
5 how that will work. Therefore we don't need the  
6 footnote. So we withdraw that comment.

7 HEARING OFFICER RENAUD: Thank you. Do  
8 you agree with that, Mr. Ratliff?

9 MR. RATLIFF: Yes. We always thought  
10 that was sufficiently clear.

11 HEARING OFFICER RENAUD: All right.

12 MR. RATLIFF: And I think we just agreed  
13 that we can leave the condition without any  
14 additional --

15 HEARING OFFICER RENAUD: All right,  
16 thank you. The applicant's exhibits on air  
17 quality are 8, 32, 44, 47, 57, 59, 61 and 82. Do  
18 you have anything to add to those, applicant?

19 MR. CARROLL: No, we don't, and we move  
20 those exhibits.

21 HEARING OFFICER RENAUD: All right,  
22 thank you. Staff, anything to add beyond the FSA?

23 MR. RATLIFF: No. I think you have  
24 already picked up the change, the very small  
25 changes --

1 HEARING OFFICER RENAUD: Right.

2 MR. RATLIFF: -- in the language about  
3 (inaudible).

4 HEARING OFFICER RENAUD: And are you  
5 sponsoring a witness from the Colusa County Air  
6 Pollution Control District today?

7 MR. RATLIFF: I believe we are. I'm not  
8 sure if anyone's present today.

9 HEARING OFFICER RENAUD: Is there anyone  
10 present from the -- yes, all right.

11 MR. RATLIFF: Yes, --

12 HEARING OFFICER RENAUD: Does anyone  
13 wish to -- why don't you come forward, sir, and  
14 identify yourself. Thank you.

15 MR. FIFE: My name is Les D. Fife and  
16 I'm a consultant for the Colusa County Air  
17 Pollution Control District.

18 HEARING OFFICER RENAUD: All right,  
19 thank you. Does either party wish to question the  
20 witness at this time?

21 MR. RATLIFF: I would just (inaudible)  
22 preliminaries from Mr. Fife.

23 HEARING OFFICER RENAUD: All right. Mr.  
24 Fife, if you would please be sworn by the  
25 reporter, please.

1 Whereupon,

2 LES D. FIFE

3 was called as a witness herein, and after first  
4 having been duly sworn, was examined and testified  
5 as follows:

6 MR. FIFE: My name is Les D. Fife;  
7 that's L-e-s D, and F-i-f-e is the last name.

8 DIRECT EXAMINATION

9 BY MR. RATLIFF:

10 Q Mr. Fife, did you prepare or under your  
11 supervision have prepared the documents for the  
12 Colusa County station, including the final  
13 determination of compliance?

14 A I did.

15 Q And are those documents correct and true  
16 and accurate to the best of your knowledge and  
17 belief?

18 A Yes, they are.

19 Q Is there -- I hesitate to ask you this,  
20 but if you can summarize the FDOC, the final  
21 determination of compliance, very briefly it would  
22 be useful, I think. At least for the Committee to  
23 hear what the purpose of that document is, and  
24 what its conclusions are.

25 A Basically the final determination of

1 compliance describes the project in a sufficient  
2 amount of detail; and then discusses each of the  
3 rules that are applicable to this particular  
4 proposed project; and how compliance would be  
5 achieved.

6 And then we have a listing of, I believe  
7 there are 29 permit conditions. Yes, there are 29  
8 permit conditions that the project has to comply  
9 with. And that's as succinctly as I can put that.

10 Q And can you certify that the air  
11 pollution offsets for the project have been  
12 identified and will be obtained prior to the  
13 construction of the project?

14 A Yes. The project offsets have been  
15 identified. They're in the document, and they  
16 will be obtained.

17 MR. RATLIFF: No further questions.

18 HEARING OFFICER RENAUD: Applicant?

19 MR. CARROLL: No questions but we would  
20 like to express our gratitude to the Air District  
21 for all their work on this project.

22 HEARING OFFICER RENAUD: Thank you.

23 MR. RATLIFF: Staff would also do that.  
24 The Air District has been actually quite wonderful  
25 in this project, very responsive to staff's

1 questions.

2 HEARING OFFICER RENAUD: Very good.

3 Thank you to the Air District. Thank you for  
4 coming.

5 ASSOCIATE MEMBER BOYD: Those are big  
6 words, Les, thank you.

7 (Laughter.)

8 HEARING OFFICER RENAUD: Okay, does that  
9 take care of air quality, then, as far as  
10 applicant and staff are concerned?

11 MR. RATLIFF: Yes.

12 HEARING OFFICER RENAUD: All right, do  
13 we have any public comment on air quality? Anyone  
14 on the phone with respect to air quality who  
15 wishes to speak?

16 All right, let's move on then to the  
17 next slightly contested topic, which is biological  
18 resources. All we had there was a very minor  
19 change of the number 1.28 acres to 1.25 acres.  
20 And that's been agreed to.

21 Applicant's exhibits are 9, 33, 46, 50,  
22 56, 60, 71, 72, 76, 78, 81 and 83. Does the  
23 applicant wish to add anything to those at this  
24 time?

25 MR. CARROLL: Nothing to add, and we'd

1 move those exhibits.

2 HEARING OFFICER RENAUD: Very well,  
3 thank you. On behalf of the staff, do you have  
4 anything to add?

5 MR. RATLIFF: We only have the exhibits  
6 that we've already provided and identified, the  
7 list, the exhibit list.

8 HEARING OFFICER RENAUD: Yes. I  
9 understand. Okay.

10 Is there any public comment with respect  
11 to biological resources? No. Okay.

12 Let's move on to socioeconomic. It was  
13 agreed that the phrase, "unless the materials or  
14 supplies are not available at competitive prices"  
15 will be added to proposed condition of  
16 certification socio-1. And the applicant's  
17 exhibits are 15, 94 and 95.

18 Applicant, do you have anything you wish  
19 to add?

20 MR. CARROLL: Nothing to add, and we  
21 move those exhibits.

22 HEARING OFFICER RENAUD: Okay, thank  
23 you. Staff, anything you wish to add?

24 MR. RATLIFF: No.

25 HEARING OFFICER RENAUD: All right. Any

1 public comment on socioeconomics?

2 As I said earlier, I will allow public  
3 comment during each topic, but will also have a  
4 general public comment period at the end.

5 All right. Let's move on then to  
6 traffic and transportation -- I'm sorry, soil and  
7 water resources. The only thing that came up  
8 previously was the written confirmation of the  
9 source of construction water.

10 Applicant, where are we with respect to  
11 that? I understand there may be a letter  
12 forthcoming?

13 MR. GALATI: Yes, we went ahead and  
14 agreed to the condition which requires that  
15 agreement to be provided. So this was stimulated  
16 by a comment that we thought the condition wasn't  
17 necessary because of the agreement we already had.  
18 After the discussion here we now agree the  
19 condition is necessary and will comply with it,  
20 which is to provide that agreement, direct  
21 compliance.

22 HEARING OFFICER RENAUD: All right, very  
23 good, thank you. Okay, so the applicant's  
24 exhibits then are 16, 39, 40, 41, 96, 97, 103, 104  
25 and 106. Does the applicant wish to add anything

1 to those?

2 MR. CARROLL: Nothing to add and we move  
3 those exhibits.

4 HEARING OFFICER RENAUD: Thank you.  
5 Staff, anything to add?

6 MR. RATLIFF: No.

7 HEARING OFFICER RENAUD: All right.  
8 Let's move on to traffic and transportation. We  
9 had a flurry of activity on this in the last 48  
10 hours. The primary issues being the haul route  
11 and the bridges, particularly the Glenn-Colusa  
12 Canal Bridge, which needs, in some way, to be  
13 strengthened to handle the heavy loads that will  
14 be needed to get the equipment to the site.

15 It appears to me on behalf of the staff  
16 we would be adding exhibit 204, which is the  
17 supplemental testimony of Brian Payne. And  
18 recommended conditions of certification temp-1  
19 through temp-4. Would that be correct?

20 MR. RATLIFF: Yes, that is correct. And  
21 we also have revised proposed conditions of  
22 certification in the traffic and transportation  
23 area which are parallel to the final that we've  
24 already made. But we have not distributed those.  
25 And we could do so now. It's essentially language

1       which implements the recommendations of Mr. Payne,  
2       I believe it is --

3               HEARING OFFICER RENAUD:   In addition to  
4       temp-1 through temp-4, is that --

5               MR. RATLIFF:   Yes.

6               HEARING OFFICER RENAUD:   Can you just  
7       tell us briefly which conditions are being  
8       revised?

9               MR. RATLIFF:   There would be a new  
10       condition, trans-4.   And it would require -- in  
11       its current language it would require 90 days  
12       prior to the movement of heavy equipment across  
13       the existing bridges that civil and structural  
14       design drawings be proposed for the temporary  
15       bridge.

16               And it would include the requirement for  
17       a soils report consistent with the California  
18       Building Code.   And this would be with regard to  
19       the soil-bearing capacity of the site to make sure  
20       this bridge can be located successfully.

21               HEARING OFFICER RENAUD:   It appears to  
22       me that that's also -- that language is also set  
23       forth in temp-1, proposed -- excuse me, temp-1.

24               MR. RATLIFF:   Okay, well, then this may  
25       not be necessary.   it may be redundant.

1 HEARING OFFICER RENAUD: All right.

2 MR. RATLIFF: It was handed to me just  
3 before I came to the --

4 HEARING OFFICER RENAUD: All right. And  
5 I must correct a mistake that I made a moment ago.  
6 The exhibit number for the supplemental testimony  
7 of Brian Payne is 202, not 204.

8 Anything further, staff, that you're  
9 adding on traffic and transportation?

10 MR. RATLIFF: Okay, I'm told that the  
11 explanation for trans-4 was basically to replace  
12 the temp-1 through -4 conditions that you have,  
13 that we had prefiled. This would be basically the  
14 restatement of those, but under the transportation  
15 section of our current analysis.

16 So we'd be essentially just replacing  
17 the prefiled condition with this condition  
18 instead.

19 HEARING OFFICER RENAUD: All right.  
20 Okay. So, when the dust settles we would have  
21 instead of temp-1 through 4, we'll have trans  
22 conditions that --

23 MR. RATLIFF: Trans-4.

24 HEARING OFFICER RENAUD: -- are the same  
25 as temp-1 through -4. All right.

1           ASSOCIATE MEMBER BOYD: They're being  
2 collapsed into one trans-4.

3           MR. RATLIFF: That's right.

4           HEARING OFFICER RENAUD: Yeah. Okay.  
5 Let's turn to the applicant first on this one. It  
6 seems to me at the prehearing conference there was  
7 some concern over the 90-day issue. Is that still  
8 an issue?

9           MR. GALATI: No, it's no longer an  
10 issue. Subsequent conversations with staff, they  
11 explained to us that they would not hold the  
12 project up for the required 90 days; and that the  
13 CPM has the power to allow the project to go  
14 forward if we were able to get things done  
15 quicker. So we'll continue to work with that  
16 assurance. So we withdraw our comment.

17          HEARING OFFICER RENAUD: All right,  
18 thank you. On traffic and transportation we had  
19 some minor issues, as well. Changing the  
20 verification on trans-1 to allow completion of the  
21 bridges prior to heavy-haul transport.

22           I believe staff and the applicant have  
23 agreed on that, is that correct?

24          MR. CARROLL: That's applicant's  
25 understanding.

1 HEARING OFFICER RENAUD: All right.

2 Staff?

3 MR. RATLIFF: Yes.

4 HEARING OFFICER RENAUD: All right.

5 And, applicant, are you familiar then with the  
6 proposed temp-1 through temp-4, which would now be  
7 trans-4?

8 MR. CARROLL: We are familiar with temp-  
9 1 through temp-4, and we don't have any concerns  
10 about that. We have not seen the new trans-4.

11 HEARING OFFICER RENAUD: I think you're  
12 about to.

13 (Pause.)

14 HEARING OFFICER RENAUD: Do you wish to  
15 add anything or do you wish some time to review  
16 this and we'll get to it -- come back to it?

17 MR. GALATI: I think we identified  
18 something that we'd like to talk to staff about on  
19 the language to see if we can't get an agreement  
20 to make it consistent. It uses the word "prior to  
21 delivery of heavy equipment." There's a  
22 difference between heavy equipment and then  
23 there's the difference between heavy-haul  
24 transport.

25 Our understanding is this bridge needs

1 the temporary bridge for heavy-haul transport.  
2 There might be something that is, quote, "heavy"  
3 that can go across the bridge. And so just to  
4 make it clear we wanted that to be consistent with  
5 heavy-haul transport.

6 MR. CARROLL: The heavy-haul transport  
7 is the phraseology that we're using in trans-3, so  
8 that would make trans-4 and trans-3 consistent.

9 MR. RATLIFF: We agree to that change.

10 HEARING OFFICER RENAUD: Oh, okay, well,  
11 that makes that easy. Thank you.

12 Where exactly is this language in trans-  
13 3, please?

14 MR. CARROLL: It's in the verification  
15 of trans-3.

16 HEARING OFFICER RENAUD: All right, so  
17 prior to start of site mobilization would be  
18 changed to prior to --

19 MR. GALATI: Excuse me, for trans-1,  
20 let's see -- trans-1 was the change that staff  
21 agreed to in the verification to say completion of  
22 the bridges prior to heavy-haul transport.

23 HEARING OFFICER RENAUD: Right.

24 MR. GALATI: We're asking for the prior  
25 to heavy-haul transport be put in trans-4's

1 verification instead of movement of heavy  
2 equipment. So, prior to heavy-haul transport.

3 HEARING OFFICER RENAUD: All right. So  
4 that will be replacing in the verification to  
5 trans-4, the phrase, movement of heavy equipment  
6 to heavy-haul transport. All right.

7 MR. GALATI: Yeah.

8 HEARING OFFICER RENAUD: And everybody's  
9 in agreement with that. All right, good.

10 And I'm going to suggest that we make  
11 the revised proposed conditions of certification  
12 trans-1 through trans-4 exhibit 202(a) since it  
13 really does relate to the testimony of Brian  
14 Payne. Does that sound acceptable?

15 MR. RATLIFF: Yes.

16 HEARING OFFICER RENAUD: All right.  
17 Applicant, is that acceptable?

18 MR. CARROLL: Yes, that is.

19 HEARING OFFICER RENAUD: All right.  
20 Does staff wish to move exhibit 202 and 202(a)  
21 then?

22 MR. RATLIFF: I believe so, but we still  
23 haven't been able to get an exhibit list, so I'm  
24 not entirely clear on which exhibit is which. We  
25 might just go over that.

1               Neither the Project Manager nor I think  
2       we received such a list, so --

3               HEARING OFFICER RENAUD:   Okay, they were  
4       placed on the table out in front this morning.  
5       Maybe there wasn't one by the time you got here.

6               MR. RATLIFF:   There was none.

7               HEARING OFFICER RENAUD:   All right.  
8       Let's take a -- I hate to take a recess because  
9       it'll take 15 minutes to get everybody seated  
10      again, but --

11              MR. RATLIFF:   It might be just quicker  
12      to just once more summarize which number is  
13      associated with which exhibit.   I'll write it down  
14      and we'll just go from there.

15              HEARING OFFICER RENAUD:   All right, yes,  
16      because --

17              MR. GALATI:   There also might --

18              HEARING OFFICER RENAUD:   -- your list is  
19      very short, so --

20              MR. GALATI:   There also might be  
21      somebody in the audience who has picked up an  
22      exhibit list that could lend it to Mr. Ratliff.

23              HEARING OFFICER RENAUD:   That's a good,  
24      yeah, is there anybody who's got an exhibit list,  
25      picked one up they don't need.

1           ASSOCIATE MEMBER BOYD: I think that's  
2           happening, it has happened.

3           HEARING OFFICER RENAUD: All right,  
4           great. You've got it then, Mr. Ratliff?

5           MR. RATLIFF: Yes.

6           HEARING OFFICER RENAUD: All right, so  
7           you can see 202 is the supplemental testimony of  
8           Brian Payne.

9           MR. RATLIFF: Right.

10          HEARING OFFICER RENAUD: And we would  
11          just add to that 202(a) which would be the revised  
12          trans-1 through trans-4.

13          MR. RATLIFF: Yes.

14          HEARING OFFICER RENAUD: All right.

15          Good.

16          Applicant, looks like your exhibits then  
17          would be 17, 38 and 98, as well as new exhibits  
18          109 and 110, is that correct, and 111? No, 111 is  
19          about the ownership. 109 and 110.

20          MR. CARROLL: That is correct.

21          HEARING OFFICER RENAUD: All right,  
22          good. Anything to add to those?

23          MR. CARROLL: Nothing to add, and we  
24          move those exhibits.

25          HEARING OFFICER RENAUD: All right, do

1       you have any witnesses you wish to call?

2               MR. CARROLL:  No, we do not.

3               HEARING OFFICER RENAUD:  All right.

4       Staff, do you have any witnesses you wish to call  
5       on traffic and transportation?

6               MR. RATLIFF:  Only if the Committee  
7       wants Mr. Flores to clarify anything related to  
8       his revised conditions.  I think we've actually  
9       gone over that, and I think it's clear.  But the  
10      witness is available if you wish to hear from him.  
11      But we don't propose to put him on otherwise.

12              HEARING OFFICER RENAUD:  All right, and  
13      we already do have a declaration of Mr. Flores in  
14      connection with this, also.

15              Is there any public comment on traffic  
16      and transportation?  This concerns the bridges and  
17      the haul route.  Anybody?  Telephone, anybody?  
18      Questions from the Committee?

19              ASSOCIATE MEMBER BOYD:  No questions.

20              HEARING OFFICER RENAUD:  All right.

21      Very good, let's move on then.

22              Next we've got visual resources.  At the  
23      prehearing conference there was just a minor issue  
24      about the planting of trees.  And the applicant  
25      withdrew its request to change to proposed

1 condition of certification vis-1 concerning  
2 reporting on surface treatment maintenance. And  
3 we did change the wording on planting of trees to  
4 permit the planting at anytime prior to commercial  
5 operation. Is that agreed to -- agreed with?

6 MR. CARROLL: That is consistent with  
7 applicant's understanding, yes.

8 HEARING OFFICER RENAUD: All right, same  
9 with staff?

10 MR. RATLIFF: Yes.

11 HEARING OFFICER RENAUD: All right. And  
12 applicant's exhibits then on visual resources  
13 would be 18 and 108.

14 MR. CARROLL: That's correct, we have no  
15 additional exhibits; and we'd move those.

16 HEARING OFFICER RENAUD: Thank you.  
17 Staff, anything to add?

18 MR. RATLIFF: No.

19 HEARING OFFICER RENAUD: All right. On  
20 facility design we, at the last hearing, agreed  
21 that applicant's requested change on gen-1 would  
22 be adopted. And the -- appears that the  
23 applicant's exhibit would be 90, number 90, in  
24 this area. Anything to add to those, applicant?  
25 To that one?

1                   MR. CARROLL:  Nothing to add, and we  
2                   move exhibit 90.

3                   HEARING OFFICER RENAUD:  Okay, thank  
4                   you.  Staff, anything to add?

5                   MR. RATLIFF:  No.

6                   HEARING OFFICER RENAUD:  Thank you, Mr.  
7                   Celli.  You now have two copies.  Thank you very  
8                   much.

9                   Okay, well, that ends the -- let's see,  
10                  yes.

11                  MR. CARROLL:  But, Mr. Renaud, --

12                  HEARING OFFICER RENAUD:  Yes?

13                  MR. CARROLL:  -- I'm sorry, I may have  
14                  misspoke.  The exhibit that was just identified --

15                  HEARING OFFICER RENAUD:  90?

16                  MR. CARROLL:  Yes.  I believe that that  
17                  may not be the correct exhibit.

18                  HEARING OFFICER RENAUD:  For facility  
19                  design?

20                  MR. CARROLL:  I'm sorry, that is  
21                  correct.

22                  HEARING OFFICER RENAUD:  Got it off your  
23                  list, so I hope it's correct.  Okay.

24                  So we turn now to the what last time was  
25                  the major contested topic, which was hazardous

1 materials management and worker safety and fire  
2 protection, primarily related to the Fire  
3 Protection District, Maxwell Fire Protection  
4 District's concerns over the potential risks  
5 raised by the proposed project.

6 We have now, since the prehearing  
7 conference, received some additional information.  
8 First of all, we have, on behalf of the staff, new  
9 exhibits 203 and 204. 203 being the declaration  
10 of Alvin Greenberg, which is simply adding that to  
11 the existing testimony. 204 is the declaration of  
12 Rick Tyler concerning revised proposed conditions  
13 of certification worker safety-6 and haz-7.

14 And as far as the applicant is  
15 concerned, we have exhibits 58, 93, 14 and 100.  
16 And then you had some new ones, I think, added  
17 today, if I'm not mistaken, which would be -- no,  
18 I don't think you had any new ones on this issue,  
19 did you?

20 MR. CARROLL: No, we do not.

21 HEARING OFFICER RENAUD: All right,  
22 good. Now, exhibit 204 sets forth a revision to  
23 worker safety-6, which I think we'll focus on for  
24 a moment.

25 Worker safety-6 in essence requires the

1 project owner either to reach an agreement with  
2 the Maxwell Fire Department regarding the funding  
3 of resources to mitigate potential impacts on fire  
4 protection services, or if no agreement can be  
5 reached, to fund an independent consultant's study  
6 to evaluate a number of issues which are listed in  
7 the proposed condition of certification.

8 Does the applicant wish to provide any  
9 testimony or provide any comment with respect to  
10 this proposed revised condition?

11 MR. GALATI: Actually, yes, we would  
12 provide some comment. We agree with staff's  
13 proposed worker safety-6. We think that it has a  
14 couple of components in it that are very important  
15 and that the Committee can be assured that the  
16 Maxwell Fire Department, or Fire Protection  
17 District is provided the funding that it needs.

18 Two points that I'd like to point out is  
19 one, it does take into account that if an  
20 agreement is not reached, staff, the CPM will  
21 approve not only the qualifications of the person  
22 providing the study, but the scope of services  
23 that study will include. And it provides a list  
24 of protocols and items in it that need to be  
25 looked at.

1                   One of which, I think, is very  
2                   important. And that is to the extent that local  
3                   tax revenue would actually flow to the Fire  
4                   Protection District to help assist the Fire  
5                   District, as well. That's an unknown at this  
6                   time, and we're hoping that a study such as this  
7                   will provide the basis for a very good agreement  
8                   with the First Protection District.

9                   Again, wanted to make our commitment to  
10                  the Committee and to the Maxwell Fire Protection  
11                  District is that PG&E certainly will make the Fire  
12                  Protection District whole for what it needs to  
13                  provide fire response.

14                 HEARING OFFICER RENAUD: Thank you, Mr.  
15                 Galati. Any response or comments on behalf of the  
16                 staff, Mr. Ratliff?

17                 MR. RATLIFF: Yes. This is an imperfect  
18                 approach but it's the best one we could do at this  
19                 point. And we're very interested in hearing from  
20                 the First District, of course. I know they want  
21                 to speak to this.

22                 We did want to make one tweak in the  
23                 language that I believe the purpose of that is to  
24                 provide for the early timing of the funding for  
25                 the Fire Department, which is not currently

1 perhaps sufficiently addressed in the language  
2 that we have.

3 And so I would ask that Mr. Tyler  
4 explain that and also indicate where additional  
5 words are being inserted into the condition.

6 HEARING OFFICER RENAUD: Okay. Would  
7 you like to call Mr. Tyler then?

8 MR. RATLIFF: Yes.

9 HEARING OFFICER RENAUD: May he be  
10 sworn, please.

11 MR. RATLIFF: If it's okay, Mr. Tyler  
12 could just sit where he is and --  
13 Whereupon,

14 RICK TYLER  
15 was called as a witness herein, and after first  
16 having been duly sworn, was examined and testified  
17 as follows:

18 MR. TYLER: My name is Rick Tyler,  
19 R-i-c-k T-y-l-e-r.

20 DIRECT TESTIMONY

21 MR. TYLER: Yeah, the changes that we're  
22 suggesting now are to the compliance protocols  
23 under the third bullet, after the words, "until  
24 funding of mitigation occurs" would be added.

25 And then after "either pursuant to".

1 And then words "funding of mitigation pursuant"  
2 funding of mitigation would be removed. And the  
3 words "has been provided to the Maxwell Fire  
4 Department" would be (inaudible).

5 So basically it would require funding  
6 pursuant either the agreement or the study to  
7 occur before construction of above-ground could  
8 commence.

9 And then finally to the verification in  
10 the very last line we would add the words after  
11 "pursuant to the agreement with the Fire  
12 Department or".

13 HEARING OFFICER RENAUD: Where would  
14 that go, again, I'm sorry?

15 MR. TYLER: Right after the -- the  
16 third-to-the-last line, the last two words are  
17 "pursuant to" right after that, "the agreement  
18 with the ... Department or" would be added.

19 HEARING OFFICER RENAUD: Mr. Ratliff, do  
20 you have any questions for Mr. Tyler? Anything  
21 further?

22 MR. RATLIFF: No.

23 HEARING OFFICER RENAUD: All right.  
24 Applicant, do you wish to question Mr. Tyler?

25 MR. GALATI: If I could just read the

1 bullet as it reads now and make sure that I  
2 understand it.

3 Will the third bullet for worker safety-  
4 6, it now will say "No construction of above-  
5 ground structure shall occur until funding of  
6 mitigation pursuant to --

7 MR. TYLER: No, funding of mitigation  
8 occurs.

9 MR. GALATI: Occurs?

10 MR. TYLER: Pursuant and agreement; only  
11 word "is" is removed, as well.

12 MR. GALATI: Okay. And then reached  
13 between the project owner and the Maxwell Fire  
14 Department or funding of mitigation is stricken.  
15 And then the sentence continues with pursuant to?

16 MR. TYLER: (inaudible) consultant  
17 study.

18 MR. GALATI: Okay. And then on the  
19 verification, the last sentence now reads,  
20 "Annually thereafter the owner shall provide the  
21 CEC CPM with verification of funding to the  
22 Maxwell Fire Department for required fire  
23 protection services mitigation pursuant to the  
24 agreement with the Maxwell Fire Department or the  
25 CEC CPM approved independent consultant study.

1           MR. TYLER: That's correct, except I  
2       didn't put Maxwell Fire Department, I just said  
3       the Department.

4           MR. GALATI: Okay. We agree with those  
5       changes. We think with that clarification it was  
6       exactly how it was going to work anyway. So I  
7       think we --

8           MR. TYLER: -- I thought so.

9           HEARING OFFICER RENAUD: And if I'm  
10      understanding it, it would appear to me that that  
11      third bullet then would require that funding  
12      actually occur prior to construction of above-  
13      ground surface structures, rather than simply  
14      having agreed to fund.

15          MR. TYLER: That's correct.

16          HEARING OFFICER RENAUD: All right.

17          MR. GALATI: That's correct.

18          HEARING OFFICER RENAUD: Okay.  
19      Applicant's in agreement with this proposed  
20      change. And staff has proposed it, so that will  
21      be the order. Good.

22          Mr. Carroll, I believe we did move your  
23      exhibits, didn't we?

24          MR. CARROLL: We did not move --

25          HEARING OFFICER RENAUD: We did not?

1       Okay. Well, let's do that.

2               MR. CARROLL: 14, 58, 93 and 100, we  
3       would move those.

4               HEARING OFFICER RENAUD: All right. And  
5       as to 203 and 204, those have been moved, I  
6       believe, on behalf of the staff, correct? If not,  
7       let's do it.

8               MR. RATLIFF: Yes, we would like to move  
9       those.

10              HEARING OFFICER RENAUD: All right, very  
11       good. Thank you.

12              Okay, does either applicant or staff  
13       have anything further on this topic? I think if  
14       not we'll go into public comment on it.

15              Public comment by persons here in the  
16       audience today? Please state your name for the  
17       record.

18              MS. LUCAS: Thank you. My name is Ronda  
19       Azevedo Lucas. It's spelled R-o-n-d-a, Azevedo is  
20       spelled A-z-e-v-e-d-o, Lucas, L-u-c-a-s. I am an  
21       attorney with the Central Valley Law Group and  
22       have very recently been retained by the Maxwell  
23       Fire Department to represent them in this matter.

24              I thank you for the opportunity to  
25       address the Commission at this time.

1           We have a letter that we would like to  
2       submit, and I have multiple copies for anybody who  
3       wants them up here. For now I will hand one to  
4       counsel at the table.

5           There's nothing new contained within  
6       this letter. I believe that the Maxwell Fire  
7       Department has consistently stated its concern and  
8       its position.

9           First and foremost, we do support the  
10      project provided it properly mitigates what we  
11      perceive to be the emergency response needs it's  
12      going to impose on this community.

13          We had hoped all along that through this  
14      process a study would be done that would tell us  
15      what those needs were. As you are well aware, a  
16      preliminary study was done but it did not come up  
17      with a dollar figure.

18          At that point in time the Maxwell Fire  
19      Department attempted to undertake on its own an  
20      analysis of what it thought its needs were. Mr.  
21      Dave Wells, who is the Fire Chief, is in  
22      attendance today. And he did, with the help of  
23      his Fire Commission Board, the bulk of the lay  
24      work to come up with the number of \$230,000  
25      annually.

1           This is laid out in the letter. I'm not  
2 going to walk you through the entire letter, but I  
3 will just briefly summarize how we got to that  
4 number and why we feel that is the bare minimum  
5 that is necessary to insure adequate mitigation  
6 for this project.

7           First and foremost, this project is  
8 unlike anything we've ever seen in the community  
9 that the Fire District services. Or arguably the  
10 County of Colusa. To give you, in terms of dollar  
11 figures, an idea of what we're talking about, this  
12 project will probably be assessed at somewhere  
13 between \$400- and \$600-million.

14           The Fire District's total assessed value  
15 right now, including real property, all of the  
16 homes, all of the farmers' equipment that we see,  
17 everybody's cars, for the entire district is \$190  
18 million.

19           This project will increase the Fire  
20 District's total assessed value by more than three  
21 times. This is a huge project.

22           Maxwell Fire Department is 100 percent  
23 made up of voluntary members of the community.  
24 Mr. Wells is part-time paid. He's paid for 13  
25 hours a week. That's it. Everybody else receives

1 a stipend of \$2 should they go out on a call.

2 There are three fire districts in the  
3 County that have some paid staff. We tried to get  
4 the assessed values for all of those fire  
5 districts. We were only able to get the assessed  
6 value for the Williams Fire District.

7 Williams Fire District's total assessed  
8 value is roughly \$358 million. In order to  
9 properly serve all of the assets that make up that  
10 \$358 million, Williams Fire Department has on  
11 staff one paid full-time fire chief and four paid  
12 full-time firefighters.

13 This project, which will have its own  
14 assessed valuation of somewhere between four and  
15 \$600 million, in order to properly serve this  
16 project, the Fire Department is simply asking for  
17 enough funding to bring online two paid full-time  
18 firefighters and one paid full-time chief.

19 We believe that's the bare minimum that  
20 is necessary in order to insure that should a call  
21 come in, we can provide minimum emergency response  
22 services.

23 The decision, from a practical  
24 standpoint, of why we feel we need some paid staff  
25 is because we never know when a call's going to

1       come in. More importantly, we never know who's  
2       going to respond to that call, or how many  
3       volunteer firemen will respond.

4               If we have paid staff those staff will  
5       be trained in confined and open space, hazmat rope  
6       and rescue one. And will have become very  
7       familiar with the workings of the PG&E plant.

8               We believe that with three paid full-  
9       time staff, all of whom are basically being  
10      trained for the purpose of responding to PG&E, we  
11      will be able to insure that at least one person  
12      who has the proper training and who is familiar  
13      with the plant and its operations will always be  
14      able to respond to that call.

15              Right now, we couldn't tell you if  
16      anybody's going to show up. Yet, alone, that the  
17      volunteers who do show up have any training at all  
18      necessary to meet the demands of the plant.

19              Also, I would like to state that when we  
20      chose the number 230,000 we looked around and said  
21      how much does it cost to hire staff; what is the  
22      going rate in this community. In these comments  
23      we have a table breaking down what our local Fire  
24      District pays its staff, Colusa Fire District pays  
25      its staff and Williams Fire District pays its

1 staff.

2 Very quickly. Williams Fire District  
3 pays its chief, total compensation, this is not  
4 just salary, it includes benefits and the total  
5 compensation package, slightly over \$87,000.

6 Colusa Fire Department pays its chief  
7 slightly over \$100,000. Our local Fire Department  
8 did not break down its numbers; we just have a  
9 lump sum figure. Its fire chief and two paid  
10 firefighters cost a total compensation package of  
11 \$271,750.

12 Maxwell Fire Department is hoping to  
13 take \$187,000 up to 230 it's requested to pay for  
14 one paid fire chief and two paid full-time  
15 firefighters. We believe this is reasonable,  
16 given the market and the numbers that we've gotten  
17 from the other fire districts.

18 So that leaves us with \$43,000  
19 remaining. Oh, and one other thing, in terms of a  
20 paid -- the need to bring on paid staff to service  
21 this facility, when Mr. Wells was trying to figure  
22 out what the impacts would be, he looked to  
23 similarly situated fire districts that were facing  
24 a project similar to this. This project is unlike  
25 anything we've ever seen before.

1                   And he found the Calpine Plant, or I  
2                   call it the Sutter Power Plant in Sutter County.  
3                   Let me state upfront that the service district,  
4                   the fire district that has to service that plant  
5                   is not in the unique situation Maxwell Fire  
6                   District is, with respect to the ability to get  
7                   this income from taxes.

8                   In Sutter they were able to get the  
9                   money from the taxes that were being paid. We are  
10                  not able here. We wish we were. We don't care  
11                  who gives us the money, we just know that we need  
12                  the money. And if we can get it from taxes,  
13                  that's fine. But we need the money. And so far  
14                  we've been informed by the County that the taxes  
15                  won't be available.

16                  In Sutter, and they already had a paid  
17                  fire staff, for the Sutter Power Plant, which had  
18                  an assessed value of roughly \$265 million, the  
19                  project applicant paid upfront \$500,000 for two  
20                  years during the construction period. A portion  
21                  of that funding went to pay for two paid  
22                  firefighters.

23                  So, again, looking around at what's  
24                  going on in the community, at the assessed value  
25                  that the Fire District's being expected to

1 protect, and also specifically at the Sutter Power  
2 Plant we believe our requests are reasonable and  
3 fair. We did not make these numbers up, and we've  
4 now walked you through, with this letter, how we  
5 have come to these numbers.

6 And I apologize that you did not have  
7 this evidence before. Again, I was retained very  
8 recently. And the Maxwell Fire Department didn't  
9 fully appreciate the proceedings that it found  
10 itself in the middle of.

11 Turning now to what we hope to do with  
12 the remaining \$43,000 per year. Those  
13 firefighters that we bring on staff have to be  
14 trained; they have to be equipped. That money  
15 will go into training and equipment.

16 Again, at a minimum they need to have  
17 confined space training classes, rope system 1  
18 classes, and training to the level of first  
19 responder operational including decontamination  
20 training because of the hazardous materials  
21 potentially onsite.

22 Using, once again, the Sutter Power  
23 Plant as an example, over two years, because that  
24 was the prepayment on the taxes, the taxes kicked  
25 in after that two-year period and paid for this,

1       which is not how, unfortunately, it's going to  
2       work here right now.

3               The Sutter Plant applicant paid for  
4       training at a cost of \$33,000 over two years,  
5       supplies at a cost of \$11,000 over two years.  
6       They also paid for a heavy rescue vehicle, an  
7       entire vehicle, that cost \$320,000. And special  
8       hazardous material response and rescue equipment  
9       which cost \$80,000.

10              Compared to what we're facing we believe  
11       these requests are reasonable. We believe we've  
12       justified them. This is why we've come up with  
13       the numbers.

14              And we hope that you take a look at them  
15       and consider our request all along. Without  
16       adequate funding, and we believe the bare minimum  
17       is \$230,000, we are telling you we cannot -- it's  
18       not that we don't want to, it is that we cannot  
19       provide minimal fire protection and emergency  
20       response services should we get a call out at the  
21       PG&E station. It's that simple. We wish we  
22       could. We simply can't.

23              And we do not want to be put in the  
24       unenviable position of having to take a call and  
25       either not respond, which, quite frankly wouldn't

1       happen, or respond knowing full well we don't have  
2       the training, the staff or the equipment, and  
3       therefore were jeopardizing the lives of our  
4       volunteer firefighters and anybody who's out at  
5       that plant, and anybody who's around that plant.

6               We don't want to be put in that  
7       position. We are asking you yet again to help us  
8       figure out a way out of this mess.

9               Turning specifically to the new worker  
10      safety standard 6, we have some concerns should  
11      the Commission go that route and not require an  
12      annual payment of 230. But instead have yet  
13      another study done.

14              We do have some concerns as it's  
15      currently written. And specifically those  
16      concerns are -- and therefore we're requesting  
17      that the recommendation be amended that again  
18      we're concerned an inadequate study might be done.  
19      We feel strongly that if the McMullen study had  
20      been done properly we wouldn't be in this  
21      situation.

22              And so we are concerned that an  
23      inadequate study might be done once again, and  
24      then where does that leave us. You've got  
25      construction ongoing. You've got a plant that's

1 well on its way to being built and we still  
2 haven't resolved this situation.

3 Therefore, we request that the  
4 recommendation be amended to provide the Fire  
5 Department equal say as the project applicant, in  
6 deciding who is undertaking this study. We  
7 request enforceable assurances in writing that the  
8 study will take a comprehensive look at similarly  
9 situated fire districts that are being required to  
10 service similar projects.

11 We would seek an opportunity to review  
12 and comment on the protocol prepared by the  
13 project applicant for conducting the independent  
14 consultant study prior to the study being  
15 conducted.

16 And we are concerned about the timing.  
17 If construction work is underway, and this study  
18 lags on for a year, we're even further behind,  
19 we've been mitigated even more, and we still don't  
20 have resolution. So we ask for assurances that  
21 this study will be done in a thorough, yet timely,  
22 manner.

23 Last, and perhaps most importantly, with  
24 respect to the funding. We don't object to the  
25 notion that a study be done; that somebody take a

1 look at what we did and see if they can come up  
2 with something different.

3 We do, however, object to the idea that  
4 the project will be allowed to go forward with  
5 construction while that's being done because even  
6 the construction phase will result in impacts on  
7 the Fire District.

8 We have stated all along, and I believe  
9 it's clearly pointed out in the preliminary study  
10 during the discussion of the ISO ratings, right  
11 now Maxwell Fire Department is able to service its  
12 rural fire areas and provide minimum protection.  
13 But we freely admit it's just barely able to do  
14 that. The rating is 8/9.

15 We are concerned that any additional  
16 demands on the Fire District that are not  
17 mitigated immediately, as soon as the potential  
18 for those demands are made, will push us over the  
19 edge. And if our ISO rating drops to 10, putting  
20 aside the lives and public safety that are being  
21 jeopardized, in economic dollars it means that  
22 because of the work being done out at this project  
23 site all of our constituents insurance rates will  
24 go up because we're no longer able to provide the  
25 minimum protection.

1           In light of that we're asking that if  
2       project work is allowed to go forward -- and we  
3       completely understand that the applicant wants to  
4       get the ball moving -- we also want to get the  
5       ball moving with respect to getting up and running  
6       and prepared to service their project.

7           So we're asking that we be met halfway.  
8       If they need progress on the project getting  
9       moving, we would like to see progress made on this  
10      issue. And by that, we would like to see funding  
11      of \$230,000 given to us while we wait for the  
12      study to come back.

13          We are willing to provide a full  
14      accounting to the Commission, the applicant and  
15      anybody else who wants it, of what we've done with  
16      that money. When the study comes out where an  
17      agreement is reached, we are willing to credit  
18      that 230 that we've been paid in advance against  
19      whatever sum is ultimately agreed upon.

20          But we feel very strongly that we do  
21      need funding before any project work is done out  
22      at that site.

23          I'm happy to answer questions. Again,  
24      Mr. Wells and Mr. Riordan, who are from the --  
25      both the District and the Commission, are here, as

1 well. They're happy to answer any questions.

2 And I will submit this letter for the  
3 record.

4 HEARING OFFICER RENAUD: Okay, thank you  
5 for your comments. Any questions from the  
6 Committee?

7 ASSOCIATE MEMBER BOYD: Yes. Thank you  
8 for your testimony and your comments. And I look  
9 forward to reviewing your letter. And without  
10 speaking to the merits of either the magnitude of  
11 the dollars or the resources you request, I would  
12 like to ask a question, at least one question.

13 When you first started your testimony I  
14 was making a note to myself, has anybody done a  
15 calculation based on the assessed value you set on  
16 the plant. What the tax revenue might be, and  
17 what historically has been the percentage of that  
18 revenue that might go to the Fire District.

19 But later on you said that the County,  
20 you said they either can't or will not, I'm not  
21 quite sure how to characterize this, provide any  
22 tax revenue for the Fire District.

23 I find that an interesting statement  
24 that needs to be explored. And I hope perhaps to  
25 hear from somebody who can speak to that.

1           Because I would assume there would be  
2     some, incorrectly perhaps, proration of the tax  
3     revenue to the Fire District. And we might be  
4     talking about some incremental difference between  
5     that number and the number you're talking about,  
6     maybe.

7           But, in any event, I'm left with a big  
8     question here about the County's response, if I  
9     heard you correctly.

10          MS. LUCAS: Commissioner Boyd, if I may  
11     clarify. We have been informed by the County, and  
12     Mr. Wells and Mr. Riordan can probably speak to  
13     this issue even better than I, but we have been  
14     informed by the County, and I believe we informed  
15     the Commission of this in a letter dated April  
16     19th, the County at that time told us that based  
17     on how the tax structure works, and how the County  
18     determines that the percentage of the tax dollars  
19     going to the County that are then kicked back to  
20     the Fire District, it's a fixed formula.

21          I freely admit I do not understand the  
22     formula. But it is a fixed formula. And out of  
23     that formula, the District will be receiving  
24     somewhere, again it depends on the assessed value,  
25     between \$9000 and \$23,000. That's it. That's it.

1           I have read estimates that the County  
2       will be receiving, I believe it's \$5 million in  
3       taxes. The Fire District's share is between \$9-  
4       and \$23,000. And we've been told as of right now  
5       we're not getting any more.

6           ASSOCIATE MEMBER BOYD: Thank you,  
7       that --

8           MS. LUCAS: That is why we're here, sir.

9           ASSOCIATE MEMBER BOYD: -- sounds  
10      curious.

11          MS. LUCAS: We agree, and it's most  
12      unfortunate.

13          ASSOCIATE MEMBER BOYD: Well, hopefully  
14      there might be some other testimony that addresses  
15      this. I saw Mr. Tyler exercising his liberties to  
16      physically shake his head and maybe shortly he  
17      will. I see a gentleman in the audience also  
18      raising his hand, so I think this is a big  
19      question in my mind.

20          MS. LUCAS: This gentleman, if I may  
21      introduce him, is Mr. Mike Riordan. He serves on  
22      the Maxwell Fire Commission Board. I think you're  
23      officially their Secretary?

24          MR. RIORDAN: I'm the Secretary.

25          MS. LUCAS: And so I will let Mr.

1 Riordan speak to that issue. I do ask, where  
2 would you like me to put the original, as well as  
3 the copies?

4 HEARING OFFICER RENAUD: Would you hand  
5 it to the reporter, please and --

6 MS. LUCAS: Very well.

7 HEARING OFFICER RENAUD: Hand it to the  
8 reporter, please, and he will make sure it gets in  
9 the record.

10 MS. LUCAS: Thank you, sir.

11 HEARING OFFICER RENAUD: Thank you.

12 Okay, let's have comment from Mike, is it Riordan?

13 MR. RIORDAN: Riordan, yes.

14 HEARING OFFICER RENAUD: Would you spell  
15 your last name?

16 MR. RIORDAN: R-i-o-r-d-a-n.

17 HEARING OFFICER RENAUD: All right,  
18 thank you. You may proceed.

19 MR. RIORDAN: I don't profess to be the  
20 expert on the taxes, but I've done quite a bit of  
21 research with the help of Gary Evans and the  
22 Colusa people. And as you most likely know, this  
23 is a unitary system. And we receive just a  
24 percentage.

25 And that percentage was set forth in a

1 bill that was passed the year before last called  
2 the Torlakson Bill. And I don't know how it's  
3 being interpreted by the Board of Equalization as  
4 to the amount of money that's going to be received  
5 by Colusa County or the Fire District.

6 The Torlakson Bill said that 100 percent  
7 of the money of a new generating plant would go to  
8 the area it was built in. So that means that  
9 Colusa County would receive the funds.

10 As far as the assessed value, that's  
11 hard to be determined. They haven't told us and  
12 we've asked.

13 But under the Torlakson Bill if, in  
14 fact, it was a \$500 million plant; it was assessed  
15 at 1 percent. The Fire District gets \$23,000.  
16 That's the rosier scenario.

17 We've been told that they're going to  
18 look at it as the old way they did unitary tax  
19 where the County would see 40 percent, the 60  
20 percent would go back and be spread across the  
21 state. And the Fire District would get their old  
22 percentage. That amounts to \$9000 we would get of  
23 the 40 percent, and \$600 off the 60 percent. So  
24 that's the low end.

25 And that's the way -- and the County

1 will not receive -- Ronda said, but they won't  
2 receive \$5 million in taxes. I believe their  
3 share, under the Torlakson Bill, at 100 percent,  
4 would be in the neighborhood of 3.5 million or  
5 something like that.

6 There's five or six entities that  
7 receive money under that bill. The road  
8 department is one of them; the school districts;  
9 Yuba College; there's another school fund and the  
10 county, and a water district, if there is one.  
11 There is no water district, so that 10 percent  
12 goes to the County.

13 There is no city or incorporated area  
14 where the plant is being built so that portion  
15 goes to the County; that's how they get so high.

16 The school district, under the rosierest  
17 scenario of 100 percent, Yuba College would  
18 receive \$660,000. The Maxwell School District  
19 would receive in the neighborhood of \$250,000.  
20 The road department would receive \$28,000. The  
21 County, \$3.2 million or in that area. And the  
22 Maxwell Fire Department would be the least  
23 compensated at 23.

24 And that's the way it's said, the way we  
25 see it. Not being an expert, but I've looked at

1       it several times.

2               ASSOCIATE MEMBER BOYD:   Thank you.

3               MR. RATLIFF:   Excuse me, sir.   Do you  
4       know what the bill number for that, what you call  
5       the Torlakson Bill was?

6               MR. RIORDAN:   Gary does; I don't have it  
7       with me.

8               MR. EVANS:   SB-1317.

9               MR. RIORDAN:   SB-1317, and I believe it  
10      was to go into effect in January 2007, all plants  
11      constructed after that date.

12              And under the old system, under the old  
13      unitary tax system, everybody in the County got  
14      money off of every asset in this County.   In other  
15      words, every PG&E, we have a substation in the  
16      Maxwell Fire District, we have an air compressor  
17      in the Maxwell -- excuse me, a gas compressor.

18              All those funds are spread across the  
19      County in a rate that's determined by the assessed  
20      valuation in your area.   Therefore, even though we  
21      have assets in our area, we receive less money  
22      than the Fire Department in Arbuckle.   Because  
23      it's done on a spread-over area, the way they  
24      figured it.

25              But the Torlakson Bill was supposed to

1 have changed all that. And under those conditions  
2 Arbuckle Fire Department wouldn't get anything.  
3 We would be the only Fire Department in the County  
4 that would receive money because it's in our  
5 District. And we are a Special District. We  
6 don't receive funds from the County other than  
7 what we get from our property tax.

8 And this wouldn't be a property tax  
9 assessed thing, so the County would give us no  
10 additional funds other than the unitary 23,000.

11 HEARING OFFICER RENAUD: Any further  
12 questions for Mr. Riordan? Okay, thank you for  
13 your comments, sir.

14 Ms. Lucas, do you have anything further  
15 to add at this point?

16 MS. LUCAS: I just thank all of you. I  
17 wanted to make sure nobody had any further  
18 questions of me. And again reiterate, we do  
19 support this project. We hope to resolve this and  
20 recognize this is a very unique situation.

21 The project applicant didn't create it,  
22 the Energy Commission Staff did not create it, we  
23 did not create it. We're stuck with it. But at  
24 the end of the day if we don't get, from our  
25 estimation, a minimum of \$230,000 a year, we are

1 truly jeopardizing public health and safety of not  
2 only the power plant and its employees, but of  
3 everybody that we service in the District, and the  
4 volunteer firemen who get the call and show up.

5 Thank you.

6 HEARING OFFICER RENAUD: Thank you.

7 ASSOCIATE MEMBER BOYD: Thank you.

8 HEARING OFFICER RENAUD: Let's ask if  
9 there's anyone else in the audience who would like  
10 to provide public comment on this issue, fire  
11 protection issue. Yes, it looks like Gary Evans.  
12 Please come forward.

13 MR. EVANS: Yes, Gary Evans, E-v-a-n-s.  
14 Hope I can further muddy the water on the  
15 Torlakson Bill.

16 We had the State Board of Equalization  
17 actually, too, we invited them to our chambers to  
18 speak to us concerning this issue on how the tax  
19 revenue under the unitary plan gets disseminated.

20 The way we read, and the bill reads  
21 pretty clearly that 100 percent stays in the  
22 County. And 40 percent of it gets disseminated to  
23 those entities that are in the tax rate area.  
24 There's like eight or nine of them, okay. Which  
25 Mr. Riordan accurately explained.

1           And the other remainder gets either put  
2   into a pot for the cities -- the city that it's  
3   located, or the county within which it's located.

4           The bill also maintains for water  
5   districts, of all things, that 10 percent of that  
6   remainder then would go to any water district  
7   within that jurisdiction. We have no water  
8   district. The only district we have is the fire  
9   district.

10          We, the County, can't agree more that  
11   them and the road department are the most  
12   impacted. And if some time between now and then  
13   that the State Board can actually be convinced,  
14   State Board of Equalization, be convinced to  
15   actually implement the word of the bill, of the  
16   law, that remainder is 2.17 million, which would  
17   be \$217,000 on top of the \$23,000 that they would  
18   be getting, would accommodate their needs.

19           (Telephone speaker.)

20          MR. EVANS: But that's where it ends.  
21   Anyway, I --

22          HEARING OFFICER RENAUD: Excuse me,  
23   excuse me -- is someone speaking on the telephone?  
24   Could you please wait until we call for a comment  
25   from people on the telephone? We still have

1 people in the room speaking. Thank you.

2 Go ahead, Mr. Evans.

3 MR. EVANS: Well, you know, and also as  
4 Mr. Riordan stated, the tax rate structures within  
5 the counties have been locked in since Prop 13,  
6 you know, one of the dark sides that took --  
7 nobody knew about beforehand.

8 But, that's the simple solution. And  
9 we've been told by the folks from Sacramento  
10 they're interpreting their way, and we're hoping  
11 to get another opinion. But, anyway, just to --

12 ASSOCIATE MEMBER BOYD: What discretion,  
13 mean, the way you describe the spread of the  
14 money, and I must admit a lot of ignorance on the  
15 tax law in California, what discretion do the  
16 local folks have, the County Board of Supervisors,  
17 for instance, with regard to the allocation of  
18 this retained balance?

19 MR. EVANS: They have total discretion.  
20 It's all general fund monies, which --

21 ASSOCIATE MEMBER BOYD: So the --

22 MR. EVANS: Okay, and I --

23 ASSOCIATE MEMBER BOYD: So the County  
24 could pledge some amount of money to the Fire  
25 District?

1           MR. EVANS: They could, and you're  
2 looking at only 20 percent of them.

3           (Laughter.)

4           ASSOCIATE MEMBER BOYD: So if the County  
5 really thought this was an asset to be desired and  
6 utilized -- anyway, I don't want to put ideas in  
7 peoples' heads but --

8           MR. EVANS: So, --

9           ASSOCIATE MEMBER BOYD: -- there should  
10 be some ideas in peoples' heads.

11          MR. EVANS: All right, thank you.

12          ASSOCIATE MEMBER BOYD: All right, thank  
13 you very much.

14          MR. RATLIFF: Before you leave, could I  
15 ask who gave you the interpretation that you say  
16 you received from the Board of Equalization?

17          MR. EVANS: I apologize, I do not  
18 remember the gentleman's name.

19          MR. SPEAKER: Jack (inaudible).

20          MR. RATLIFF: Okay.

21          MR. EVANS: Ken Thompson?

22          MR. SPEAKER: Thompkins.

23          MR. EVANS: Thompkins.

24          MR. SPEAKER: From BOE.

25          MR. EVANS: They were invited to address

1       our Board, and they did so. I mean we've been  
2       over this ad nauseam. And we're still here  
3       talking.

4               ASSOCIATE MEMBER BOYD: For future  
5       reference should you ever run into the Legislator,  
6       I believe he pronounces his name Torlakson.

7               MR. EVANS: Torlakson, okay. Thank you  
8       very much.

9               ASSOCIATE MEMBER BOYD: Thank you.

10              HEARING OFFICER RENAUD: Thank you. Any  
11       further public comment on this issue? Sir, please  
12       come forward.

13              MR. LEE: My name's Ron Lee. And I'm  
14       President of the Oldhouse Water District. The  
15       Oldhouse Water District is a district that is  
16       surrounding the power plant.

17              And if we are able to get some of the 10  
18       percent I believe Mr. Evans spoke of, if we're  
19       able to get some of that money coming in, we could  
20       re-distribute it to help the Fire Department out,  
21       as well.

22              ASSOCIATE MEMBER BOYD: Thank you.  
23       Interesting; novel.

24              HEARING OFFICER RENAUD: Thank you for  
25       your comment. All right, --

1                   ASSOCIATE MEMBER BOYD:  -- the folks at  
2                   home.

3                   MR. RIORDAN:  Excuse me, I just want to  
4                   make one more comment.

5                   HEARING OFFICER RENAUD:  Mr. Riordan,  
6                   again.

7                   MR. RIORDAN:  Yes, excuse me.

8                   HEARING OFFICER RENAUD:  Yes, please.

9                   MR. RIORDAN:  One more comment.  the 217  
10                  that Mr. Evans is talking about, I don't want  
11                  anybody to leave the thought that that money is  
12                  the Fire Department's.  That money belongs to the  
13                  Water District, and if there is no water district,  
14                  it goes to the County.

15                  And on an ongoing basis, you know, that  
16                  money is not the Fire Department's.  I don't want  
17                  to leave the impression that we're sitting with  
18                  217.  We're still only at the 23,000.  That's  
19                  discretionary money that the County can take or  
20                  leave at any time.  Thank you.

21                  HEARING OFFICER RENAUD:  Thank you.  
22                  Supervisor Evans, you're standing.  Why don't you  
23                  come forward again, please.

24                  MR. EVANS:  Gary Evans.  Just a point of  
25                  clarification.  And I apologize because I didn't -

1       - irrigation districts are not water districts.  
2       They're not able to participate in the program.  
3       It's just municipal water districts. So  
4       irrigation, unfortunately, you know, can't play.

5               HEARING OFFICER RENAUD: All right,  
6       thank you. Anyone else in the audience who wishes  
7       to comment on this issue? All right; you people  
8       who have been --

9               ASSOCIATE MEMBER BOYD: Excuse me.

10              HEARING OFFICER RENAUD: I'm sorry.

11              ASSOCIATE MEMBER BOYD: Mr. Tyler, did  
12       you want to make a comment? You were very  
13       animated awhile ago.

14              MR. TYLER: I simply wanted to say that  
15       was a very consistent estimate with what I got.  
16       It's somewhere between \$9000 and \$23,000. And in  
17       my testimony it's stated that it would be, under  
18       the best scenario, a very small fraction of what  
19       the Department had requested or identified.

20              I'd like to make one other comment in  
21       that by virtue of the fact that no above-ground  
22       structures would be allowed prior to the agreement  
23       for some funding, some agreed-upon funding, there  
24       would not be any hazmat at the facility. There  
25       would not be the same risks or responses needed by

1 the Fire Department. That's why that limiting  
2 factor was put in our condition.

3 And we believe that by virtue of what is  
4 provided here, that any identified significant  
5 impacts would be mitigated.

6 So that's --

7 ASSOCIATE MEMBER BOYD: Okay, I  
8 appreciate your point of view. I, for one, find  
9 it a little hard to believe that as soon as they  
10 start some work there that the risk factor starts  
11 going up just based on traffic and more workers  
12 and what-have-you.

13 But that's yet to be resolved and we'll  
14 have to consider that.

15 HEARING OFFICER RENAUD: Ms. Lucas, did  
16 you want to come say something else? Thank you.

17 MS. LUCAS: Thank you for your  
18 indulgence. Just to respond to Mr. Tyler's  
19 statement, and to make clear, we do believe that  
20 the risk will begin to go up, and we do need funds  
21 now.

22 If it's something less than -- we will  
23 use whatever we get, and we will use it toward  
24 both addressing that risk that will begin when  
25 construction begins out there, as well as bringing

1 people online and getting the training done so  
2 that when that plant is up and running we can hit  
3 the ground running.

4 If, on day one of plant operation, god  
5 forbid, something go wrong, we need to be up and  
6 running and ready.

7 With respect to the level of risk, is it  
8 the same level of risk just pure construction as  
9 what you will see once the plant is operating, no,  
10 sir, it is not. But it does increase the risk.

11 Right now the roads leading out to the  
12 project site, and I apologize if you've been on  
13 them, very rural area, County-maintained, but not  
14 paved, no shoulder, low shoulder in some  
15 instances, very narrow, bordered by irrigation  
16 ditches and drainage ditches, one-lane bridges.

17 Quite frankly, my father ran sheep on  
18 the property that my cousin owns, the Azevedo  
19 property. He drove those roads his entire life.  
20 He ran into the Glenn-Colusa Irrigation District  
21 bridge one day trying to chase his sheep.

22 My point being even the locals who have  
23 grown up on those roads, and probably driven them  
24 since before they were able to legally drive, have  
25 accidents out there.

1           When you start bringing in people who  
2       are not familiar with the area, who are not  
3       familiar with those roads, and they're driving not  
4       an ATV or a ranch pickup, but heavy equipment and  
5       large trucks, it increases the risk. And we  
6       anticipate we will have increased calls. We want  
7       to be able to respond.

8           And we will use that money as well to be  
9       prepared when the plant is up and running. And  
10      that's why we will agree to a full accounting, as  
11      well as a credit against whatever they end up  
12      paying. But we really feel we need the money now  
13      if somebody's going out there to do work.

14           Thank you for your indulgence.

15           HEARING OFFICER RENAUD: Thank you.  
16      Let's turn to the people who have been waiting so  
17      patiently on the telephone. Are there any of you  
18      who wish to comment at this time on the fire  
19      protection issue? Just go ahead, there's no  
20      particular order. Is there anyone there who  
21      wishes to comment on the fire protection issue,  
22      just say your name, please.

23           Try one more time just to make sure. No  
24      one on the phone for the first protection issue?  
25      All right. Thank you.

1                   Any further comment on the fire  
2           protection issue from people in the room? Mr.  
3           Galati.

4                   MR. GALATI: Yes. Appreciated Ms.  
5           Lucas' very succinct description of some of the  
6           issues. And I think that maybe we can address  
7           those concerns.

8                   First, I'd like to point out a couple of  
9           them. First, the idea that there could be an  
10          inadequate study. We know there's been an  
11          allegation that the study that was done before  
12          wasn't adequate. That was one of the reasons why  
13          we proposed the concept of a much more expensive  
14          and expansive study.

15                  I think that staff solved that problem.  
16          We don't do the study. Staff-approved independent  
17          consultant does the study, and staff-approved  
18          protocol is what that study's done to. We think  
19          that's the appropriate way to have an independent  
20          study.

21                  PG&E does not want to be in a position  
22          where it is, for this project, being burdened with  
23          the existing issues that might face -- the Fire  
24          District face. But we are also aware that we are  
25          going to have an impact. We acknowledge that

1       there is a potential impact.   Whether that impact  
2       is solved by all of the tax money or whatever we  
3       have to provide in addition to the tax money,  
4       we're completely prepared to do that.

5               That's why we think this worker safety-6  
6       is a mitigation protocol that actually provides  
7       exactly what the Fire Department needs.

8               The second is with the idea of  
9       construction work underway, while we don't believe  
10      that the risk would be significant during  
11      construction, we are prepared to take Ms. Lucas up  
12      on her offer and provide \$230,000 while this study  
13      is completed so that that money can be credited.

14              Again, PG&E wants to be a good neighbor.  
15      PG&E wants to make its commitment to the Fire  
16      Protection District that we're not going to leave  
17      it in a position where it is impacted and not  
18      funded.

19              So we're fine with a change to the  
20      mitigation measure, excuse me, worker safety-6  
21      that would provide the payment of \$230,000 prior  
22      to construction, as long as there is appropriate  
23      accounting of that money, and that it be credited  
24      towards whatever the study or agreement provides.  
25      We would ask you to provide staff that critical

1 independent analysis and allocation.

2 As what you've heard here today I think  
3 is one of the reasons why maybe this project  
4 doesn't have an agreement at this stage, is I  
5 think this tax issue is sort of the issue that is  
6 overriding; it's the crazy uncle that nobody wants  
7 to talk about. It has to be resolved; it will be  
8 resolved. And if it's not resolved in the favor  
9 of the Fire District, this condition will make  
10 sure the Fire District is whole. We believe that  
11 that's worked.

12 I would also point you to that this  
13 issue was almost exactly what the Blythe project  
14 faced. The Blythe project had an agreement  
15 between the county and the city of the allocation  
16 of funds. And it was allocation of tax revenue.

17 And that was an agreement a long time  
18 ago that really left the city shortchanged.  
19 Because the city wanted to incorporate. The only  
20 way the city could incorporate was to, in its  
21 bargaining position, assigned almost all of its  
22 tax revenue to the county. And then later, as the  
23 city grew, it was under-funded.

24 This is exactly the approach that it  
25 took. In fact, that agreement was modified. The

1 county did kick in more money to the city,  
2 recognizing the benefit it got from the plant, as  
3 well. And in that case, the agreement, we paid  
4 the difference.

5 So it has worked in the past. We  
6 continue to work. And we hope that our pledge of  
7 seed money at this time, although we don't think  
8 that it's legally required, helps us get over the  
9 edge on this issue and gets this very important  
10 project beginning construction.

11 Last, you know, i would like to point  
12 out that the Fire District does not oppose the  
13 concept of the study. They did not approve the  
14 last study. We think that staff is in a full  
15 position to approve the type of person and what  
16 should be in the study. They've listed in the  
17 protocol items that need to be done.

18 We are concerned in a situation where we  
19 would give the Fire Department veto power over how  
20 much money we pay. They certainly can participate  
21 through staff, but we would not recommend that the  
22 condition be changed to allow them to approve the  
23 protocol, to approve the money, to approve any of  
24 that.

25 We're trying to get into an independent

1 position so that we can negotiate fairly. So  
2 that's why we agree with the way staff has taken  
3 that approach.

4 HEARING OFFICER RENAUD: Okay.

5 ASSOCIATE MEMBER BOYD: Thank you. Do I  
6 take from what you said that you would not object  
7 to some provision that just encouraged the staff  
8 to talk to and consult with the Fire District as  
9 they formulated the study, not necessarily  
10 provide, as you say, approval and veto power,  
11 but --

12 MR. GALATI: Yeah, we would not --

13 ASSOCIATE MEMBER BOYD: I feel pretty  
14 strongly the local folks be represented.

15 MR. GALATI: Yeah, we don't mind that.  
16 It's very common, for example, to have things  
17 circulated for review and comment. But as opposed  
18 to review and approval. We think staff should  
19 maintain the approval concept of this study, and  
20 who does it.

21 But just like the Energy Commission  
22 does, for example, in land use issues in which it  
23 has sole jurisdiction, it asks the planning  
24 department for review and comment of their  
25 documents, visual plans, things like that.

1           We think that should be the approach the  
2       Commission takes as opposed to what I believe Ms.  
3       Lucas was asking for, which was an approval. And  
4       so that would be our only objection to what Ms.  
5       Lucas has raised.

6           ASSOCIATE MEMBER BOYD: Thank you.

7           HEARING OFFICER RENAUD: Ms. Lucas,  
8       would you like to speak? Go ahead.

9           MS. LUCAS: Thank you yet again. To  
10      clarify, we're not seeking veto power. We do not  
11      object to anything that Mr. Galati has put forth  
12      to you.

13           We believe they're sincere and wanting  
14      to be good neighbors and we are sincere in wanting  
15      to work with them and resolve this issue.

16           We would, however, like to be fully  
17      involved in the process, but are not seeking veto  
18      power.

19           ASSOCIATE MEMBER BOYD: Thank you.

20           MS. LUCAS: Thank you.

21           HEARING OFFICER RENAUD: All right,  
22      anything further on this issue? All right, good.  
23      Yes, Mr. Ratliff.

24           MR. RATLIFF: I'm gratified that there  
25      seems to be a resolution. We'll need to rewrite

1 the condition language. And what I would propose  
2 is that we just do that after the hearing instead  
3 of trying to do it now. And then circulate it to  
4 PG&E and the Fire District to make sure that we've  
5 caught the intent of what we, I think, agreed upon  
6 today.

7 HEARING OFFICER RENAUD: I think that's  
8 an acceptable solution. Any concerns?

9 ASSOCIATE MEMBER BOYD: That's fine. If  
10 you don't, we will.

11 MR. RATLIFF: Okay.

12 HEARING OFFICER RENAUD: Okay. Shortly  
13 we will move into public comment for general  
14 purposes. But before we do that I'd like to take  
15 care of a couple of I guess what I'll call clean-  
16 up things.

17 First, drawing us back to traffic and  
18 transportation, I noticed one small thing we  
19 passed. At the prehearing conference -- did Mr.  
20 Flores just leave? We might need him.

21 Well, at the prehearing conference there  
22 was concern raised over whether there were any  
23 City of Williams LORS with respect to the haul  
24 route. And staff was going to look into that, and  
25 I understood Mr. Flores would have some brief

1 testimony regarding whether or not there are any.  
2 Can you present that at this time, or shall we see  
3 if he comes back?

4 MR. RATLIFF: Yes, we can try to get Mr.  
5 Flores back, but what he has told us is that he  
6 found no applicable LORS; and therefore his  
7 testimony would be, I believe, if he were there,  
8 that there are no additional LORS which this haul  
9 route would be in violation of.

10 HEARING OFFICER RENAUD: So his existing  
11 testimony really would not be changed?

12 MR. RATLIFF: That's right.

13 HEARING OFFICER RENAUD: Okay. Well, we  
14 probably don't need him to come say that, in that  
15 case.

16 All right. Any comment on that before I  
17 move to the next housekeeping issue? All right.

18 Applicant's exhibit list indicates a  
19 number of exhibits under a category called  
20 various. And I think we'd better proceed with  
21 moving and admitting those. They are 25, 43(a),  
22 51, 55, 68, 73, 74, 75, 80 and 102. Do you have  
23 anything to add to various?

24 MR. CARROLL: No, we do not, and we'd  
25 move those exhibits.

1                   HEARING OFFICER RENAUD: All right,  
2                   thank you. And finally, in case I didn't say it,  
3                   all exhibits that were moved today are admitted  
4                   into the record. All right.

5                   Let's turn to public comment in general,  
6                   now. Let's take the telephone people first.  
7                   Anyone on the telephone who wishes to comment  
8                   about any aspect of this proceeding, please state  
9                   your name.

10                  Telephone? No one on the phone wishing  
11                  to speak? I can hear there are people there, but  
12                  I take it from your silence no one wishes to  
13                  speak. All right.

14                  People in the audience, anyone wishing  
15                  to provide public comment. I do have blue cards  
16                  here. One is from Dora Dirks. Did you still wish  
17                  to speak?

18                  MS. DIRKS: Yes.

19                  HEARING OFFICER RENAUD: All right,  
20                  please come forward.

21                  MS. DIRKS: My name is Dora Dirks. I  
22                  spoke --

23                  HEARING OFFICER RENAUD: Please pull  
24                  that mike down to your face there, thank you.

25                  MS. DIRKS: I spoke a the last meeting

1 we had on the 10th, and I represent the Dirks and  
2 Barretts. We're landowners near the power site.

3 And on January 21st we did have a  
4 meeting with a representative from PG&E to talk to  
5 him about our concerns about the impacts that the  
6 plant will have on our family -- farm that is just  
7 like a half a mile from the plant.

8 He was very good about sitting down and  
9 talking to us. He answered some of our questions.  
10 He took notes and was going to have some of the  
11 questions, you know, he was going to get help on  
12 things out of his area, or whatever.

13 And so we were hopeful that maybe we  
14 will be able to understand more about this. We  
15 still have some concerns and questions.  
16 Basically, and I know I've written this in  
17 letters, like even to the Commission, we have a  
18 ranch there that's been in our family for 75  
19 years. We have four generations, like my son and  
20 my nephews are now helping to farm. This was  
21 their great grandfather's ranch.

22 And it's a nice area out there. They  
23 had always kind of hoped, it's divided actually  
24 into three parcels, so there could be home sites  
25 for the boys and their families eventually.

1               These boys are, you know, the oldest one  
2       is 30. The other is 22 and 24. Well, they're not  
3       settled down; two of them aren't even married, so  
4       there haven't been no building permits taken out  
5       or anything. It's just been something in the  
6       future.

7               Well, with the power plant being built  
8       there, that's over, as far as the noise and  
9       vibration, the emissions. We don't even know what  
10      these emissions, you know, are actually going to  
11      do to our organic crop and certification. I mean  
12      that's something in the future that, you know, no  
13      one can really say yet.

14              We do know that sometimes our  
15      regulations change as far as right now they don't  
16      test the soil, but we've had regulations change  
17      before. There is a time when they could test the  
18      soil and the air, and change your organic  
19      certification. Well, that financially makes a  
20      difference to our family and our farm.

21              The thing is that with the energy plant  
22      being there, and I know we need energy. But  
23      nobody wants it in their backyard. And they don't  
24      want this big energy plant with so many  
25      uncertainties.

1                   And like I said, I'll say it again, our  
2       boys will never build out there. To try to  
3       provide, I mean this was there for them. Now to  
4       try to provide them or for them to provide for  
5       themselves a nice site like that, is going to cost  
6       a lot of money.

7                   So this has been taken away from us.  
8       And we are hoping to maybe be compensated  
9       somewhat. Of course not totally; that would be a  
10      lot of money. But we were just hoping to be  
11      compensated somewhat for our time, for the loss of  
12      the use of our land forever. It will not be the  
13      same.

14                  So, thank you.

15                  ASSOCIATE MEMBER BOYD: Excuse me.  
16      Could you tell me again how close or how far away  
17      you are from the plant site?

18                  MS. DIRKS: Our property is on both  
19      sides of the road as you come up to the Glenn-  
20      Colusa Irrigation Ditch. So, I don't know, about  
21      I think -- I said a half a mile, and that is what  
22      it is. So, very very close.

23                  ASSOCIATE MEMBER BOYD: Thank you.

24                  HEARING OFFICER RENAUD: All right,  
25      thank you. I have a card from Mary Anne Azevedo.

1 MS. AZEVEDO: Mary Anne Azevedo, and I'm  
2 representing my husband, Allen and I. We're  
3 property owners on the west side of the Glenn-  
4 Colusa Canal, so it's Dirks and Barretts about a  
5 half a mile from the project site. We're about a  
6 quarter of a mile from the project site.

7 This last week we met with -- or on  
8 Monday we met with Mr. Jon Maring with PG&E and we  
9 expressed with him the very same concerns that  
10 we've expressed with CPV through this whole  
11 lengthy project that we've been going through.

12 My husband and I strongly feel that this  
13 project is going to impact the way we do our  
14 farming business. The increased traffic, they  
15 talked about a bridge construction, and now  
16 they're talking about a jumper bridge. I'm still  
17 kind of confused of which direction PG&E is going  
18 to go at this point.

19 They talked about easements and now  
20 possibly not needing easements. At this point it  
21 just leaves my husband and I a little bit  
22 confused, frustrated through this whole process  
23 continuing to attend these meetings and these  
24 hearings and express our concerns.

25 Mr. Maring has promised that he is going

1 to come back with some of these questions, --  
2 answers, so we can continue on with this process.  
3 I just wanted to express our concerns with the  
4 Commission.

5 Thank you.

6 MR. GALATI: If I could add some  
7 clarification to the question, as PG&E is pursuing  
8 the temporary bridge for the reason that we do not  
9 have to use the Azevedo's or the Dirks' and  
10 Barrett's property.

11 HEARING OFFICER RENAUD: Okay, thank  
12 you. Anyone else in the room who would like to  
13 provide comment? Yes, sir, please come forward  
14 and state your name.

15 MR. RODEGERDTS: I do have a blue card  
16 but I've not been able to deliver it to anyone.

17 I am (inaudible) here, as I am the  
18 Colusa County Counsel. The County -- well, at the  
19 conclusion, let me go back to the conclusion of  
20 the prehearing conference. I spoke briefly with  
21 Mr. Ratliff regarding a development agreement that  
22 the County had negotiated with the West Coast; and  
23 subsequent to that, then emailed him the text of  
24 that, you know, that agreement, which has been  
25 recorded, approved by the Board of Supervisors and

1 recorded in the County records.

2 It provides the implementation of  
3 certain public benefits to the County on behalf of  
4 the project developer. In return, West Coast was  
5 seeking reasonable assurances that the County  
6 would expeditiously approve land use approvals and  
7 otherwise cooperate in the permitting and  
8 development of the generating station as it moved  
9 forward.

10 That has been done, and there were  
11 several benefits which the County would anticipate  
12 receiving under the development agreement. Most  
13 notably at one time cash payment on the  
14 commencement of the plant construction. The  
15 establishing of a procurement office in the County  
16 to assist us in maximizing our sales tax revenue.  
17 And global procurement to the extent possible.

18 And my goal here, and the County's goal,  
19 is to insure that this development agreement is  
20 binding on the successors to West Coast. As the  
21 language of the successors and assignees, a  
22 paragraph within the agreement would suggest, and  
23 which was the intent of the County and West Coast  
24 when the agreement was negotiated.

25 It would seem to the County that this

1 can be assured by the Commission's conditioning  
2 approval of the plant going forward on the  
3 premise that the successors, that the County  
4 already delivered benefits of that agreement.  
5 That that successor will now perform its  
6 obligations as a project developer under the  
7 agreement.

8 Now the same to the County that for the  
9 Commission not to do this violates the spirit of  
10 cooperation, so the County wants to continue as  
11 the project moves forward with PG&E, the new  
12 owner. As I stated, I have provided Mr. Ratliff  
13 with a copy of that development agreement. And  
14 the County would appreciate the Commission given  
15 the duration to this request as you go forward in  
16 approving of this project.

17 ASSOCIATE MEMBER BOYD: Thank you. This  
18 was an issue at the last hearing, as well.

19 MR. RODEGERDTS: Yes, Supervisor Evans  
20 raised it, and that's why I sought out Mr. Ratliff  
21 because I wanted to articulate with him on a one-  
22 on-one basis to assure his understanding of what  
23 we were seeking, that there was some reference  
24 made during the exchange, talk about a resolution  
25 or something like that.

1                   That's not what we're talking about.

2                   We're talking about this recorded development  
3                   agreement between West Coast and the County.

4                   MR. RATLIFF: I would just add that it's  
5                   our expectation that PG&E will honor the  
6                   development agreement. It's our belief, having  
7                   looked at the agreement, that they're obligated  
8                   to, legally. But nevertheless, we have absolutely  
9                   no objection to including it in the decision if  
10                  the Commission wants to do so.

11                  MR. RODEGERDTS: We would appreciate  
12                  this. I want to make it clear that I'm not  
13                  appearing here on behalf of the County suggesting  
14                  that there's been any suggestion by PG&E that this  
15                  agreement not be honored. I want to make that  
16                  clear.

17                  We are much like every other just about,  
18                  most -- appeared here today, we're in support of  
19                  the project. There's no question about that, and  
20                  I think that what we have done heretofore would  
21                  suggest that.

22                  We want to talk down this road together  
23                  arm-in-arm with the project -- we were prepared to  
24                  do that with West Coast, and we're certainly  
25                  prepared to do that with PG&E. They've been most

1 outgoing and most cooperative the last several  
2 weeks in better understanding what the plans are  
3 and how we can work together.

4 But if the Commission -- a patina on  
5 this going forward, we would feel even more  
6 secure.

7 ASSOCIATE MEMBER BOYD: Okay, thank you.  
8 I won't protract this discussion. I think I heard  
9 a description last time that there's probably  
10 legal precedent for this to be binding on the  
11 successor agency but we'll certainly consider that  
12 just to make everybody feel quite comfortable.

13 MR. GALATI: That's correct, and I think  
14 our -- we certainly don't object to it in concept.  
15 We think we're already obligated; we think there's  
16 already statutes and law requiring us to, and we  
17 have every intent to.

18 I would just, again, maybe take this o  
19 opportunity because I have the microphone, to  
20 speak on behalf of myself and not necessarily on  
21 behalf of PG&E, and that is it is always difficult  
22 in my perspective as a practitioner before this  
23 Commission, when the Commission's conditions  
24 continually expand, to encompass already-on-the-  
25 book laws that are enforced in another way.

1                   So I would just ask you to consider that  
2                   as well, if it's necessary to mitigate an impact  
3                   or necessary to comply with LORS. I don't believe  
4                   that it is either way.

5                   But PG&E fully intends to perform like  
6                   it does with its other obligations in accordance  
7                   with the law and in accordance with the agreements  
8                   it takes over.

9                   HEARING OFFICER RENAUD: All right. Let  
10                  me just add, as well, that that development  
11                  agreement is part of the record. It has been  
12                  docketed and we do have it.

13                  And I would like to --

14                  MR. RODEGERDTS: Thank you, that was not  
15                  clear.

16                  HEARING OFFICER RENAUD: It is. And I  
17                  want to ask, not having read it through, I've  
18                  looked at it briefly, I would assume it would have  
19                  language in it binding on any successors and  
20                  assigns. Do you think it does?

21                  MR. RODEGERDTS: Yes, there's general  
22                  language to that effect, that's correct.

23                  HEARING OFFICER RENAUD: So you probably  
24                  got that, as well. All right.

25                  Anything else on this issue? All right.

1                   ASSOCIATE MEMBER BOYD: Excuse me, I'm  
2 going to take advantage of the fact you're here  
3 representing the County to ask you to certainly go  
4 back and relay the discussion we had on the Fire  
5 District issue. And the moral, fair and equitable  
6 allocation of local revenues with regard to the  
7 support of this project which the County has  
8 exclaimed multiple times that, as you just said,  
9 you're walking arm-in-arm in lockstep with the  
10 proponent.

11                   Obviously this has been a -- the Fire  
12 District concern has been a somewhat difficult and  
13 contentious issue. Mr. Galati mentions the one  
14 almost precedent. As I indicated in the last  
15 hearing I put a lot of extra time in this  
16 searching the record and couldn't find a real  
17 precedent for dealing with a volunteer fire  
18 department, et cetera, et cetera.

19                   So, we are going to be setting some kind  
20 of a precedent and it would be nice to see the  
21 County participating in the incremental allocation  
22 of responsibility and financing for this obvious  
23 issue of increased risk and risk mitigation.

24                   So, if you would take the message back  
25 to your Board I'd appreciate that. That makes two

1 of you here in the room that can do that.

2 MR. RODEGERDTS: The message we can  
3 carry forward. Thank you very much.

4 HEARING OFFICER RENAUD: Okay, thank  
5 you. Let me ask counsel first about briefing. I  
6 don't particularly see a need for anything to be  
7 briefed. Does any counsel wish to brief  
8 something, provide a brief?

9 MR. GALATI: No, I think we can work  
10 through circulation of this particular condition.  
11 I think that staff understood -- well, I'm not  
12 always the most clear, so I hope staff understood  
13 what our offer was with that condition.

14 But maybe we'd like to take a look at  
15 that language and tweak it. And maybe submit it  
16 as a stipulation between the two of us.

17 I don't believe we need a time to brief  
18 any of the issues that have come before the  
19 Commission.

20 HEARING OFFICER RENAUD: All right. Mr.  
21 Ratliff.

22 MR. RATLIFF: Yeah, that's good.

23 HEARING OFFICER RENAUD: All right,  
24 good. So if that could be submitted in writing,  
25 though, that would help the Committee in preparing

1 the decision. All right.

2 MR. CARROLL: Mr. Renaud, just one  
3 additional point on the exhibits before we move  
4 away from those entirely. Since we didn't have  
5 the exhibit list in front of us right from the  
6 beginning, I wasn't able to go through and just  
7 check.

8 Can you confirm that you identified,  
9 during your presentation, all of the exhibits that  
10 are on the tentative exhibit list?

11 HEARING OFFICER RENAUD: Yes, I did.  
12 And if I didn't enumerate them, my intention is  
13 that each and every one of those exhibits is  
14 offered into evidence and admitted today.

15 MR. CARROLL: Thank you. I assumed that  
16 to be the case, but just wanted to clarify that.

17 HEARING OFFICER RENAUD: Yes, as well as  
18 on the applicant's exhibit list, which should be  
19 duplicative.

20 All right. Well, we're about to close  
21 the hearing then. If there's not any further  
22 public comment, just want to give one more  
23 opportunity to those in the room, those on the  
24 phone. No.

25 The Committee will issue a proposed

1 decision probably within the next eight to ten  
2 weeks, maybe sooner. And with that, this hearing  
3 is adjourned. Thank you.

4 (Whereupon, at 12:02 p.m., the hearing  
5 was adjourned.)

6 --o0o--

## CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter,  
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